AGENDA DATE: 10/10/00 AGENDA ITEM: LS A

## State of New Jersey

Board of Public Utilities Two Gateway Center Newark, NJ 07102

**ENERGY** 

IN THE MATTER OF THE PETITION OF )	
NUI ELIZABETHTOWN GAS COMPANY )	
TO (1) REVIEW ITS LEVELIZED GAS )	ORDER AUTHORIZING
ADJUSTMENT CLAUSE, (2) REVIEW )	PROVISIONAL RATES
ITS DEMAND SIDE MANAGEMENT )	
ADJUSTMENT CLAUSE, AND (3) REVISE )	DOCKET NOS. GR00070470
ITS RATES FOR COMMERCIAL AND )	GR00070471
INDUSTRIAL AIR CONDITIONING SER- )	
VICE AND SEASON DELIVERY SERVICE )	

(SERVICE LIST ATTACHED)

## BY THE BOARD:

On July 21, 2000, NUI Elizabethtown Gas Company ("Elizabethtown", "Petitioner", or "Company") filed its annual Levelized Gas Adjustment Clause ("LGAC") petition with the Board of Public Utilities ("Board"). Through this petition, Elizabethtown sought to increase its current LGAC rate from \$0.1236 per therm to \$0.2665 per therm. If approved, Petitioner's requested rate increase would have increased the monthly bill of a typical residential customer using 100 therms from \$81.06 to \$95.35, an increase of \$14.29, or 17.63%.

Currently Elizabethtown does not have a flexible pricing mechanism. However, Elizabethtown's filing included a request to modify its gas supply price on a monthly basis in response to changes in the commodity price of gas. Elizabethtown proposed to modify its LGAC rate by dividing it into three components: demand cost, commodity cost, and prior period recovery. The demand and prior period recovery components would continue to be calculated and charged to customers as annual levelized rates over the twelve (12) months of the LGAC Year (October 1 though September 30). These components would be established in the Company's annual LGAC filing. The Company would also submit, as part of its annual LGAC filing, a projected commodity cost component for each month of the LGAC year to which the filing applied, along with the forecasted New York Mercantile Exchange ("NYMEX") closing prices that the monthly commodity cost components were based upon. The commodity component would be subject to adjustment on a monthly basis.

The Company further proposed that, to the extent that the actual NYMEX closing prices for each month differed from the Company's forecast, the Company be given the right to adjust the commodity cost component of its basic gas service supply ("BGSS") rate by an amount that was no greater than 70% of the difference between the NYMEX price underlying the Company's forecast and the actual closing price. The Company has asserted that its request is appropriate in light of the increased volatility in the natural gas market and it further asserts that its proposal achieves the requirement of the Electric Discount and Energy Competition Act ("EDECA") that the price of BGSS be consistent with market conditions. (N.J.S.A. 48:3-58(r)).

On August 1, 2000, the Board transmitted Elizabethtown's filing to the Office of Administrative Law ("OAL") for hearing as a contested case. The matter was assigned to Administrative Law Judge ("ALJ") William Gural. The ALJ conducted public hearings on September 20, 2000 in Rahway, New Jersey and on September 21, 2000 in Flemington, New Jersey.

The parties in this proceeding are the Petitioner, the Division of the Ratepayer Advocate ("Ratepayer Advocate" or "RPA"), Board Staff ("Staff"), and the Township of Woodbridge, which filed with the Board a Notice of Motion to Intervene in this proceeding on August 25, 2000. On October 6, 2000, the Board transmitted the motion to the OAL<sup>1</sup>. Petitioner, the Ratepayer Advocate and Staff have engaged in settlement discussions during this proceeding.

On October 4, 2000, Elizabethtown filed a motion for provisional rate relief with the Board pursuant to N.J.S.A. 48:2-21.1 and N.J.A.C. 1:1-12.6, seeking to increase its LGAC rate by up to \$0.2474 per therm, or such other amount as determined by the Board, on a provisional basis, subject to refund pending the outcome of its LGAC proceeding. If approved, Petitioner's requested rate increase would have increased the monthly bill of a typical residential customer using 100 therms from \$82.80 to \$107.54, an increase of \$24.74 or 29.9%.

In support of its motion, Elizabethtown stated that, pursuant to EDECA, N.J.S.A. 48:3-58, the Board is required to establish rates for regulated gas supply service that afford the State's utilities the ability to recover the prudently incurred costs of gas supply on "a full and timely basis." Elizabethtown asserted that approval of its proposed LGAC increase on a provisional basis would be consistent with the Board's legislative mandate. In addition, Elizabethtown asserted that N.J.S.A. 48:3-58 contemplates that the costs of natural gas supply and capacity purchased for basic gas supply service will be purchased and priced in accordance with market conditions. Thus, it argues that approval of its proposed LGAC increase on a provisional basis would establish gas supply rates that are more consistent with market conditions. Elizabethtown further argues that permitting an increased LGAC rate to take effect on a provisional basis would help to ensure that neither Elizabethtown nor the emerging competitive market for third party gas suppliers are irreparably harmed by a failure to timely establish costbased rates that are more consistent with market conditions. Elizabethtown contends that failure to act would likely result in irreversible harm to both the Company (due to the unrecoverable cost of funding a significant underrecovery) and the market (due to the continuation of a below market price). Elizabethtown requested that the Board take official

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<sup>&</sup>lt;sup>1</sup> On October 17, 2000, ALJ William Gural approved the Township of Woodbridge's Motion to Intervene.

notice that gas costs have risen significantly since it filed its petition in this proceeding. Elizabethtown also argued that absent provisional rate relief it is likely to be adversely affected by compression of any subsequent LGAC increase, since the full LGAC proceeding will not be completed by October 1, 2000.

In response to a Staff request, Elizabethtown estimated its underrecovered gas cost balance to be \$1.7 million as of October 1, 2000. Further, based upon the NYMEX closing price on September 29, 2000, its underrecovered gas cost balance would increase to approximately \$74.6 million by September 2001 if its rates were not increased.

On October 4, 2000, Secretary of the Board, Frances L. Smith, sent a letter to the Ratepayer Advocate with copies to the parties in this proceeding, as well as the parties to the ongoing LGAC proceedings of the three other gas utilities, advising them that the Board had received emergent motions for provisional rate relief from all four New Jersey natural gas public utilities ("gas utilities"). The letter requested that responses to the motions be filed with the Board before the close of business on Friday, October 6, 2000.

On October 5, 2000, the Ratepayer Advocate filed a generic, two-part letter Answer to the Company's emergent motion as well as to the emergent motions filed by the three other gas utilities. This was the only response to the emergent motions received by the Board. The Ratepayer Advocate's Answer was supplemented on October 6, 2000, by a certification from the Ratepayer Advocate's consultant, Mr. Richard LeLash.

In its Answer, the Ratepayer Advocate recognizes the need for emergent relief and proposes an immediate interim emergent rate increase of \$1.40 per dekatherm for each of the gas utilities, but also includes measures to assist consumers who will be paying this increase. This proposed increase would be followed by a second increase of up to \$.50 per dekatherm effective in January 2001, if warranted, based on a proposed filing to be submitted by the Company on December 1, 2000. In the event this winter proves to be warmer than normal, or additional gas wells come on line sooner than expected, resulting in greater gas availability leading to lower gas costs, ratepayers would receive a rate decrease promptly on January 1, 2000. Finally, rates would be automatically decreased in April 2001, if justified, based on monthly updates of the December filing.

If approved, the Ratepayer Advocate's proposal would increase the monthly bill of a typical Elizabethtown residential customer using 100 therms from \$82.80 to \$96.80, an increase of \$14.00, or 16.9%.

The Ratepayer Advocate notes its concerns about the escalating price of natural gas and the effects on consumers this coming winter. However, the Ratepayer Advocate asserts that it is still necessary to deal with the impact of the high gas costs that prevail now. The Ratepayer Advocate asserts that its proposal takes into account not only the dramatic increases in the cost of gas, but also the impacts on customers and ways of mitigating those impacts. The proposal was devised to include three basic elements: (1) expeditious rate relief to the utilities during the heavy winter usage period; (2) measures to mitigate the impacts of the rate increase on consumers; and (3) an education program to inform all New Jersey consumers how they can conserve energy, and where to find assistance if they need it.

The second part of Ratepayer Advocate's proposal includes measures to help customers who may have difficulty paying these increased costs. The gas utilities would offer extended payment plans, fund special initiatives, such as increased utility contributions to New Jersey Statewide Heating Assistance and Referral for Energy Services ("SHARES"), and other ventures, such as joint weatherization projects with New Jersey retail businesses, and free energy audits. The utilities would also absorb some portion of the increase in gas costs, by reducing their share of margin sharing revenues as an offset to gas costs. The third part of the Ratepayer Advocate's proposal is to educate consumers of the many steps they can take to conserve energy, and the various energy assistance programs available to consumers who cannot afford a rate increase. The Ratepayer Advocate proposes that the gas utilities, in cooperation with the Board and the Ratepayer Advocate, undertake a statewide education campaign to inform consumers how they can conserve energy and provide information about available energy assistance programs. The Ratepayer Advocate proposes that the gas utilities include bill inserts to their customers describing available government and utility energy assistance programs, such as the Low Income Home Energy Assistance Program ("LIHEAP"), Lifeline, and SHARES. Additionally, the Ratepayer Advocate proposes that all gas utilities should install the "Chronicles" computer program to provide their customer service and collections personnel with ready access to information on available energy assistance programs for eligible customers.

In addition, in order to mitigate the impact of future price spikes, the Ratepayer Advocate proposes that all the gas utilities adopt a flexible, mixed gas portfolio purchasing strategy consisting of fixed gas price contracts, both short-term and long-term, storage inventories, financial instruments, and spot market purchases. Further, prudent financial hedging should be an integral component of gas purchasing strategies.

The intent of the Ratepayer Advocate's proposal is to provide a balance between the gas utilities' need for the rate relief to avoid large cost under-recoveries and the consumers' needs for assistance and education. In summary, the Ratepayer Advocate asserts that its proposal is fair to both the gas utilities and their customers.

## **Discussion and Findings**:

The Board has reviewed Petitioner's motion for provisional rate relief and attachments thereto, as well as the comments of the Ratepayer Advocate. The Board is very concerned about the impact of escalating natural gas prices upon New Jersey's customers and upon New Jersey's natural gas utilities. The price of natural gas has increased significantly since March of this year and is presently more than double the price it was a year ago. According to recent projections by the federal Energy Information Administration ("EIA"), gas production prices will be about 87% higher this winter compared to last winter. (www.eia.doe.gov/emeu/steo/pub/steotext.html) As a result, the cost of natural gas delivered to residential customers nationwide is anticipated by the EIA to be about 27% higher this heating season than last year. Id.

In the present case, the Board has considered the sharp increase in the price of natural gas and Petitioner's projection that this increase will likely cause it to have an underrecovered gas cost balance at the end of its LGAC year ended September 30, 2001 of approximately \$74.6 million if its rates are not increased. Due to the magnitude of this projected underrecovered balance, we find that delaying a rate increase in this proceeding would almost certainly result in a

significantly larger increase in rates later this year in order to bring this underrecovered balance down to a reasonable level. Further, delay would cause Petitioner's rates to be significantly lower than the actual cost of gas and would make it difficult if not impossible for third party suppliers to compete in Petitioner's service territory.

Based upon this review and in light of the extraordinary circumstances presented by this case, the Board believes it is appropriate to address the issues raised in Petitioner's emergent motion at this time. Therefore, the Board <u>HEREBY RECALLS</u> the following issues that have been transmitted to the Office of Administrative Law ("OAL"): 1) the level of rates necessary for Petitioner to recover its prudently incurred gas costs, and 2) Petitioner's flexible pricing proposal. All other issues raised by the petition, which have been transmitted to the OAL, shall remain at the OAL. The Board Secretary will send a letter to the OAL indicating that the two issues described herein are being recalled to the BPU for further proceedings consistent with this Order.

However, in light of the extraordinary circumstances presented by this case and based upon the Board's review of Petitioner's motion and the Ratepayer Advocate's response thereto, the Board believes that it is reasonable and in the public interest to address and take prompt action on these issues on a provisional basis at this time, pending further review of these issues. Therefore, in order to avoid the build up of a large underrecovered gas cost balance and the potential for larger increases in rates later this year, the Board <u>APPROVES</u> on a provisional basis, subject to refund and interest, an increase in Petitioner's LGAC billing factor, including sales tax ("SUT"), from \$0.1236 to \$0.2665 per therm effective on and after the date of this Order. The impact of this will be an increase in the monthly bill of a typical residential customer using 100 therms from \$82.80 to \$97.09, an increase of \$14.29, or 17.3%.

In the present case, we believe that the Company should be afforded the opportunity to increase its rates on a provisional basis, subject to refund, effective as of the date of the order. We note that under N.J.S.A. 48:2-21.1, the Board may set a "negotiated" rate, subject to refund during the pendency of a rate proceeding. See, In re N.J. Power and Light Co., 15 N.J. 82, 96 (1954). Such a negotiated rate remains subject to refund, subject to final adjudication of just and reasonable rates. In re Intrastate Industrial Sand Rates, 55 N.J. 112 (1975). We emphasize that our granting provisional relief, subject to refund, should not be taken as a departure from the standards governing the granting of interim relief. See, In re Jersey Central Power and Light Company, BPU Docket No. 804-285, 38 PUR 4<sup>th</sup> 115 (1980). These standards remain fully intact and applicable to all utilities. Our action in this case is designed merely to set a provisional negotiated rate, which all parties have indicated is reasonable in light of the extraordinary circumstances, in order to address the specific factual circumstances in this case. Even the Ratepayer Advocate recognizes that an increase of approximately 17% is appropriate in this case.

Further, in light of the volatility currently in the gas market, the Board <u>HEREBY FINDS</u> it appropriate to have flexible pricing in place for this winter. Flexible pricing will provide Petitioner with immediate rate relief, coupled with rate decreases for consumers if gas costs come down. Therefore, the Board provisionally <u>APPROVES</u> the creation of a Flexible Pricing Mechanism ("FPM") for Elizabethtown through April 30, 2001 subject to further Board decision after Petitioner's December 2000 further submission and subsequent January 2001 evidentiary hearings as detailed later in this Order and subject to the following parameters:

- 1. Mechanism: Petitioner shall be permitted, on a monthly basis beginning on December 1, 2000, subject to the limits noted below, to adjust the commodity cost component of its LGAC rate to reflect changes that would have the effect of increasing or decreasing the projected level of the cost over/under collection at the end of the LGAC period. Each month Petitioner will calculate a new LGAC factor reflecting the commodity cost changes. This factor will utilize actual cost information to date along with consideration of prospective costs, credits for refunds, interruptible contributions and off-system sales for the current LGAC period. This adjusted cost will be compared to the estimated LGAC recovery, which is the revenue obtained at the then effective LGAC rate. Based on the revised projected cumulative over/under collection at the end of the current LGAC period that results from this comparison, a revision may be made to the over/under collection component of the LGAC rate to obtain a revised rate to be charged in the subsequent months.
- 2. Monthly Filings: Petitioner shall file its monthly calculation of the LGAC factor with the Board, Staff, and the Ratepayer Advocate at least five (5) business days before the beginning of each month that the FPM is in effect, regardless of whether or not a FPM change is proposed or not. Notice of proposed FPM rate changes shall be posted simultaneously on Petitioner's web site.
- 3. <u>Effective Months</u>: FPM price changes may be made in the months of December 2000 through April 2001, subject to a further Board decision after review of Petitioner's December 2000 submission and subsequent January 2001 hearings as detailed later in this Order. The FPM will then expire on April 30, 2001.
- 4. Monthly FPM Price Increases: The monthly limit on FPM price increases will be \$0.0194 per therm including SUT. Further, Petitioner shall only file with the Board and make a rate increase if the calculated revised estimate yields an increase of at least \$.005 per therm from the prevailing rate. The maximum impact of each monthly FPM increase would be an increase in the monthly bill of a typical residential customer using 100 therms of approximately 2%.
- 5. Monthly FPM Price Decreases: There shall be no maximum limits on the level of any monthly FPM price decreases, and Petitioner shall flow through any FPM price decreases to ratepayers whenever the calculated monthly factor yields a decrease of \$0.007 per therm or greater for a given month.

In addition, in light of the volatility that exists in the gas market at this time, the Board believes that the effects of this volatility will need to be monitored and further assessed throughout this year. Therefore, Petitioner is <u>DIRECTED</u> to file a submission to the Board and the parties by December 1, 2000. This submission shall be the subject of evidentiary hearings before the Board in January 2001, and shall include the following information:

6. A summary of the current status of the gas market and Petitioner's projection of how it will change over the 18 months ended May 31 2002, including the current status of the NYMEX market.

- 2. Petitioner's gas purchasing plans for the 18 months ended May 31, 2002. Petitioner shall address its gas purchasing strategy, including its use of fixed gas price contracts (both short-term and long-term), storage inventories, financial instruments, and spot market purchases. With regard to financial hedging, Petitioner shall describe the parameters it uses, including triggers, and associated costs.
- 3. A detailed description of all mitigation measures that Petitioner has taken to lower its cost of gas and to stabilize its customers' rates. This description shall address, but not be limited to, Petitioner's use of hedging, including fixed price contracts.
- 4. Based upon NYMEX closing prices on November 27, 2000, Petitioner shall provide:
  - a. Petitioner's projection of what per therm rate increases/decreases it expects to implement under the above approved flexible pricing for the period December 1, 2000 through April 30, 2001. Petitioner shall show the monthly impact of each of these rate changes to a residential customer using 100 therms per month, expressed in present and proposed monthly bills, increased dollars, and increased percentages.
  - b. Petitioner's projection of what its over/(under) recovered gas cost balance will be, by month, through the end of its 2001 LGAC year under the rate treatment approved in this Order.
- 5. Documentation, testimony, information, and schedules in support of the provisional rates approved in this Order so that the Board may determine whether or not they should become final LGAC rates.
- 6. If Petitioner believes that any modifications to the rate treatment approved in this Order are necessary as a result of the status of the gas market, a proposal detailing said modifications along with testimony, support, and schedules for said modifications. Further, Petitioner shall publicly notice this proposal and in consultation with BPU Staff schedule and notice public hearings for this proposal.
- 7. Petitioner's assessment of how the rate increases have impacted its low-income customers and how programs such as budget billing and extended payments have mitigated the impact of these increases on said customers.

Parties wishing to respond to Petitioner's submission shall file replies by December 15, 2000. After assessing the above information and after the conclusion of hearings in January 2001, the Board will make a determination regarding whether any modifications are necessary to the provisional rate treatment, and the flexible pricing provisions approved in this Order. In addition, the Board will address whether or not the FPM will continue beyond January 31, 2001 and what modifications to the mechanism, if any, should be implemented.

Petitioner shall make subsequent submissions on a quarterly basis, beginning on April 1, 2001. These filings will provide updated gas cost information. In addition, if Petitioner believes that it will need a rate increase or decrease as a result of the updated gas cost information, the submissions should include such a request. Further, Petitioner shall publicly notice this proposed increase and schedule public hearings for it. These requests shall be limited to issues related to the appropriate rate to recover Petitioner's prudently incurred gas costs. Other LGAC issues, for example, adjustments to components such as remediation costs, weather normalization, or demand side management costs, that are not related to current gas costs will be addressed in Petitioner's annual LGAC filings. Specifically, the quarterly filings shall include the following information:

- A summary of the current status of the gas market and Petitioner's projection of how it will change over the next 18 months including the current status of the NYMEX market.
- 2. Petitioner's gas purchasing plans for the next 18 months. Petitioner shall address its gas purchasing strategy including its use of fixed gas price contracts (both short and long-term), storage, financial instruments, and spot market purchases. With regard to financial hedging, Petitioner shall describe the parameters it uses including triggers, and estimated costs (with a cap).
- 3. A detailed description of all mitigation measures that Petitioner has taken to lower its cost of gas and to stabilize its customers' rates. This description shall address, but not be limited to Petitioner's use of hedging (including fixed price contracts).
- 4. Based upon NYMEX closing prices on the second Friday preceding the filing, (If Friday is a holiday, the prices on the next business day shall be used.) Petitioner shall provide:
  - a. Petitioner's requested per therm rate increase/decrease for the quarterly period. Petitioner should show the impact of this rate change on the bill of a typical residential customer using 100 therms per month, expressed in present and proposed monthly bills, increased dollars, and increased percentage.
  - b. Petitioner's projection of what its over/(under) recovered gas cost balance will be, by month, for the next 18 months under the rate treatment requested, and if no rate change is made.
  - c. Testimony and schedules supporting any requested rate change.

Further, by letters dated September 27, 2000, and September 29, 2000, from the Acting Director of the Energy Division to each of the gas utilities, the utilities were requested to provide specific updated information related to their respective LGAC mechanisms on a weekly basis. In order to continue to monitor the impact of the volatility of the gas market, Petitioner is <a href="DIRECTED">DIRECTED</a> to continue reporting this information to the Board and Ratepayer Advocate to cover the period through the end of the current LGAC year as well as the following LGAC year and to continue to provide this information on a weekly basis until changed by further order of this Board.

In order to mitigate the impact of rate increases on customers, the Board <u>DIRECTS</u> Petitioner to initiate the following mitigation measures:

- 1. Petitioner shall offer extended payment plans to their customers, above and beyond what they may currently be offering. The length of the payment plan offered shall depend on individual customers, but should include plans that allow customers to spread out their payments, without interest, over periods of at least six months.
- 2. In developing Petitioner's future gas purchasing strategies, Petitioner shall consider hedging strategies, including the use of fixed price contracts.
- 3. On or before January 1 of each year, Petitioner shall provide the Board, Staff, and the Ratepayer Advocate with its gas purchasing strategy based on a mixed portfolio approach, consisting of fixed gas price contracts (both short-term and long-term), storage inventories, financial instruments, and spot market purchases. With regard to financial hedging, Petitioner shall include parameters, triggers, and associated costs.
- 4. SHARES, a non-profit corporation comprised of all of the State's electric and gas utilities except New Jersey Natural Gas Company, provides grants to help residential customers experiencing temporary financial difficulties pay their utility heating bills. The program is funded by a combination of stockholder, employee and voluntary contributions made by the customers of the member utilities. While not a member of New Jersey SHARES, New Jersey Natural Gas Company funds a similar program, "Gift of Warmth." The Board believes both programs provide valuable assistance to customers in time of need and, while recognizing that we may consider further expansion or modification of both programs (either in the Universal Service Proceeding now being conducted by the Board (Docket No. EX00020091) or in implementation of the energy assistance program, P.L. 2000, c.132, signed into law by Governor Whitman on September 21, 2000, we believe we should take steps now to increase customer awareness that these resources are available. Accordingly, we DIRECT Petitioner to:
  - a. Contact and increase to the extent possible the number of Community Action Program ("CAP") and other social service agencies that serve as intake agencies for SHARES within Petitioner's service area:
  - Add to its call center the ability to provide inquiring customers with the location of the CAP or other participating agency closest to that customer, as well as a brief description of the SHARES program and its eligibility requirements;
  - c. Recommend modifications to the program to expand the number of eligible participants; and
  - d. Encourage through bill inserts, or other means, customers' contributions prior to this year's heating season.

Further, it is important that Petitioner initiate actions to ensure that customers are given accurate bills, and aware of the various steps they can take to conserve energy and the availability of energy assistance programs to certain customers who may have difficulty in paying their utility bills. Therefore, the Board <u>DIRECTS</u> Petitioner to take the following measures:

- 1. Petitioner shall take the necessary steps to ensure that budget payments are accurately set for budget billing plan customers and that they are based upon actual meter readings, rather than estimated readings. In this regard, Petitioner shall make every effort to read customers' meters, or to call customers by telephone and ask them for their readings, if it is not possible to arrange for a mutually agreed upon time for the utility to read the meters. Further, Petitioner shall perform special meter reads when requested by the customer or when otherwise necessary, and shall accommodate the customer in every way possible to get actual readings of the meter.
- 2. Petitioner shall provide at least two bill inserts, with advance copies to Staff by November 10, 2000, providing:
  - a. Information about gas cost increases, including typical monthly bill impacts for residential heating and non-heating customers with various usages;
  - b. Information about budget billing and extended payment programs; and
  - c. Detailed information about all available government and utility energy assistance and energy efficiency programs, including LIHEAP, Lifeline, NJ SHARES or Gift of Warmth, federal weatherization programs, and any available home energy efficiency inspection and weatherization programs. The inserts shall provide eligibility information for each program, including samples of income levels needed to qualify for each program. There shall be a toll-free phone number for the utility for information on assistance with utility bills, energy efficiency and related programs. The information should also advise customers where to apply for State and federal assistance, including the toll-free phone number for LIHEAP.
- 3. Petitioner shall maintain its current tariffs on its web site so that customers can determine their current rates as soon as possible, and adjust their usage accordingly.
- 4. Petitioner shall provide additional education through other media, to be funded through the existing consumer choice education program to advise customers of the availability of the various assistance programs where people can go for help.
- 5. Petitioner shall provide additional education targeted at social service agencies to advise them of the various assistance programs available.
- 6. Petitioner shall require its utility customer service and collections personnel to advise all customers with payment problems about available assistance programs and provide them with the appropriate toll-free phone number.

The Board believes that the above decision is just and fair and in the public interest, as it will permit Petitioner to recover on a provisional basis, subject to refund with interest, its prudently incurred gas costs on a timely basis, will allow for timely decreases if warranted, will provide for mitigation of future gas increases, and will provide customers with important information regarding possible payment options and assistance. Therefore, the Board HEREBY ORDERS the Company to file final provisional tariff pages which conform to the terms and conditions of this Order within ten (10) business days from the date of this Order.

DATED: NOVEMBER 1, 2000 BOARD OF PUBLIC UTILITIES

BY:

(SIGNED)

HERBERT H. TATE PRESIDENT

(SIGNED)

CARMEN J. ARMENTI COMMISSIONER

(SIGNED)

FREDERICK F. BUTLER COMMISSIONER

ATTEST: (SIGNED)

FRANCES L. SMITH

SECRETARY